

**State CIO
Agency IT Plans
2009 – 2011 Biennium**

**Agency IT Plan
Office of State Budget and Management**

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Departmental/Agency IT Plans
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Office of State Budget and Management

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Introduction

This IT plan follows general guidelines recommended by Gartner for creating effective IT strategic plans. Chapter 1 captures the business strategy of the Office of State Budget and Management (OSBM), including current priorities and objectives. Chapter 2 describes the IT environment in OSBM. Chapter 3 highlights opportunities in some key areas of IT operations in OSBM. This chapter includes a section listing the perceived benefits of IT consolidation and recommendations for improving consolidated services. Chapter 4 summarizes four new IT solutions that OSBM is undertaking to achieve some of its current objectives.

OSBM has made substantial progress in the 2007-09 biennium in modernizing its IT infrastructure and operations. Major IT initiatives implemented during this time period are described below.

Major IT Initiatives in 2007-09

1. Implemented Results-Based Budgeting through in-house development of data gathering and reporting tools (Oracle PL/SQL).
2. Consolidated four UNIX servers to one Sun Enterprise Class server (hosted at ITS) in a virtualized environment. This initiative provided additional capacity, streamlined maintenance, improved performance, and simplified disaster recovery operations.
3. Implemented SAS Forecast Server (hosted at ITS) to support development of revenue and expenditure forecasting and modernization of demographic estimates/projections applications.
4. Changed budget applications to accommodate BEACON HR/Payroll and revisions to the State Budget Act (IMS applications on mainframe and various Oracle-based data gathering and reporting tools).
5. Redesigned OSBM Web sites. OSBM contracted with COMSYS under the state's Technical Services Convenience contract. This initiative included development of a virtual library of OSBM documents, dynamically-generated charts, complete redesign of the user interface, and much new Web content.
6. Migrated email and Calendar to Exchange (hosted at ITS), consistent with statewide requirements for a consolidated solution.
7. Replaced desktops with laptops for all OSBM managers and personnel identified as "essential" in the Continuity of Operations Plan (COOP). This initiative strengthened OSBM's capabilities for business continuity and disaster recovery.
8. Completed Web interfaces for all legacy mainframe budget systems (Shadow Web Server with in-house programming). This initiative modernized the user interface of IMS mainframe budget applications and provided a consistent look and feel across core budget applications.

9. Renovated office space, requiring many staff relocations, changes to electrical wiring, network cabling, equipment moves, etc.

Chapter 1 - Business Strategy

Mission Statement

We deliver the highest quality statewide budgetary, management, and information services by promoting and providing the most effective use of public resources, consistent with state law and the objectives of the Administration.

Ongoing Business Initiatives

- Fiscal Advice. Provides fiscal advice to the Governor to carry out his constitutional and statutory duties as Director of the Budget; supervises the development of statewide budget and revenue data used to inform decision-making and to prepare and present the Governor's budget to the General Assembly; consults with agency officers on budget execution; coordinates North Carolina's economic and financial report presented annually to bond rating agencies; and serves as Secretary to the Council of State.
- Budget Preparation and Results-Based Budgeting. Prepares the Governor's recommended operating and capital budgets through budget and policy research and analysis to ensure the efficient use of taxpayer dollars.
- Budget Administration. Administers the legislatively certified budget by monitoring state agencies' expenditures to ensure adherence to state laws and executive and/or legislative intent; monitors and evaluates programs, policies and legislation that affect State resources; and interprets budgeting policy and procedures to assist state agencies.
- Statewide Infrastructure. Develops, reviews, and manages capital budgets. Oversees, reviews, and evaluates state agency information technology system requests to ensure that the state derives value from these IT investments. Partners with the State's Office of Information Technology Services to drive consolidation of information technology infrastructure across agencies. Prepares and executes transportation budgets.
- Government Evaluation and Review. Conducts productivity studies and provides management analysis services to state and local agencies to help them work more effectively and efficiently by assessing organization, staffing, systems, processes, and service delivery and quality. These services and reports are initiated at the direction of the Governor or General Assembly or at the request of an agency or OSBM. Provides for the uniform administration of state grants to non-state entities by ensuring compliance with state laws, rules and reporting requirements including the withholding of state funds from entities found in noncompliance.
- Demographic and Economic Analysis. Forecasts and monitors state revenues through research and modeling of tax and economic information to ensure the

proper basis for budgeting; analyzes and approves fiscal notes on rule changes; prepares and publishes economic and tax reports; and responds to ad hoc requests for economic data and analysis. Develops and tests mathematical models to produce official population estimates and projections for the state, counties, and municipalities for revenue sharing and as a basis for statewide planning, budgeting, and research.

- Technology and Data Services. Designs, builds, and maintains statewide budgeting, statistical, and managerial applications and provides comprehensive IT administration for OSBM. Trains users of applications.
 - Strategic Management and Statistical Coordination. Provides North Carolina state government a framework to guide budget and planning decisions and helps ensure our state's investments have the greatest impact for our citizens. Assists government agencies and the public in using socioeconomic data and provides census and state-agency statistics about North Carolina geographies. Responds to internal and external needs for statistical information through analysis, special reports, consultation, training, research, and data finding tools.
 - Internal Audit. Provides state government with a program of internal auditing, ensuring that internal audits comply with current Standards for the Professional Practice of Internal Auditing issued by the Institute for Internal Auditors. Provides support for the Council of Internal Auditing.
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Current Priorities and Objectives

Priority 1. Develop 2009-11 State Budget

- Objective 1 Prepare the Governor's 2009-11 Recommended Budget
- Objective 2 Develop capital budget and six-year capital improvement plan
- Objective 3 Improve results-based budgeting reporting

Priority 2. Improve budget presentation, systems, manuals, internal procedures, and agency support

- Objective 1 Enhance budget systems and presentation
- Objective 2 Update State Budget Manual with regard to new State Budget Act as needed
- Objective 3 Update OSBM Policies and Procedures Manual
- Objective 4 Provide information for planning BEACON budget and financials
- Objective 5 Assist with Implementation of IT Consolidation across agencies
- Objective 6 Produce OSBM publications
- Objective 7 Develop and maintain BCP/COOP for OSBM
- Objective 8 Improve revenue and expenditure forecasts in support of state budgeting and demographic estimates/projections for distribution of state shared revenues
- Objective 9 Support Census 2010 and other statistical coordination activities, including development of a master address dataset for the state

Objective 10 Streamline budget code structure

Priority 3. Retain high performing staff, implement competency and training programs

Objective 1 Recognize high performers

Objective 2 Develop and maintain individual training plans for each employee

Objective 3 Relate training and development opportunities to competency/skill development

Objective 4 Develop and initiate workforce planning activities

Priority 4. Establish Program of Statewide Strategic Management

Objective 1 Develop state level indicators and provide centralized access to state performance information

Objective 2 Increase transparency of statewide progress in key areas

Objective 3 Promote effective and efficient management of the state's resources and programs

Priority 5. Implement Internal Audit Program

Objective 1 Develop database of internal audit plans and reports

Objective 2 Provide agency training on auditing best practices

Objective 3 Implement ACL Audit Exchange software for conducting agency audits

Objective 4 Support Council of Internal Auditing

Chapter 2 - Current IT Environment

Current Projects

There are no existing IT projects for OSBM reported in the PPM project portfolio tool. Current projects do not meet the threshold for reporting under SB991.

Major Existing Applications

OSBM has nine major applications defined in the Application Portfolio Management tool. A description and roadmap for each appears below.

	Application Name	2009	2010	2011	2012	2013
1	Budget Allotment Module Used by agency budget officers to request allotment for cash expenditures. Documents are passed electronically for approval by OSBM, and approved allotments are passed electronically to Office of State Controller for posting to Cash Management Control System and NCAS. Strategy: Maintain until new budget and accounting systems developed. In-house development with existing appropriation.	Maintain	Maintain	Maintain	Maintain	Maintain
2	Budget Preparation Module Used by OSBM and all state agency budget offices to prepare the Governor's budget and to certify the Legislature's budget. The dollars for each account are passed electronically to NCAS. Strategy: Maintain until new budget and accounting systems developed. In-house development with existing	Maintain	Maintain	Maintain	Maintain	Maintain

	appropriation.					
3	Budget Revision Module Used daily by agencies to request budget changes. Documents are passed electronically to OSBM and to NCAS. Strategy: Maintain until new budget and accounting systems developed. In-house development with existing appropriation.	Maintain	Maintain	Maintain	Maintain	Maintain
4	LINC, Census Lookup, State Comparisons, CRIS, Jessica Web-enabled relational database applications for search and retrieval of summary statistical data (over 1400 data series) produced by federal and state agencies about the state's counties, municipalities, and sub-county areas from 1969. Census Lookup provides detailed census data to the block level. State comparisons provide data on the fifty states for over 200 data items. Extensive, search, reporting, and maintenance features. CRIS describes grant programs. Jessica provides an NC thesaurus. Strategy: Maintain in Oracle and apply new technologies when appropriate. In-house development with existing appropriation.	Maintain	Enhance LINC and State Comparisons in preparation for 2010 Census and American Community Survey	Maintain	Maintain	Maintain
5	NC GILS Development Headquarters Provides search and retrieval of selected NC GILS indexes using Z39.50 protocol; maintains NC GILS Guidelines. Initially established as the result of an Executive Order. NC GILS Guidelines bring	Retired				

	<p>together several metadata standards.</p> <p>Strategy: Retire 12/31/2006. No replacement planned.</p>					
6	<p>OSBM Intranet Database Services</p> <p>Web-enabled relational database applications for preparation and reporting of the state budget and other OSBM functions. The following tasks accomplished by this suite of products includes: Summary of Budget Recommendations (biennial budget, long-session); Recommended Budget Adjustments (short-session); Budget Narratives (biennial budget, long-session); Post-Legislative Budget Summaries (long-session and short-session); Fee Survey and Report; Human Resources Training System; OSBM Scorecard; OSBM Emergency Contacts (part of Business Continuity Plan); Dynamic portions of main OSBM Web site; Internal Audit; RBB.</p> <p>Strategy: Maintain in Oracle and apply new technologies when appropriate. In-house development and outsourcing with existing appropriation.</p>	Maintain	Enhance	Enhance	Enhance	Enhance
7	<p>Population Estimates and Projections</p> <p>Certified Population Estimates and official population projections: Suite of programs that execute mathematical models for estimating/projecting population in total and by age, race, and sex for NC counties and municipalities as required by state statute.</p> <p>Strategy: Maintain, but gradually migrate to other</p>	Maintain	Migrate to Forecast Server	Maintain in Forecast Server	Maintain in Forecast Server	Maintain in Forecast Server

	technologies. Migration of population estimates programs to SAS Forecast Server under development. In-house development with existing appropriation.					
8	Salary Control Module Agency budget officers and OSBM use these functions to control salary obligations and to calculate salary reserve availability. Data from BEACON and BRS are used to extract salary and position count changes. Strategy: Maintain until new budget and accounting systems developed. In-house development with existing appropriation.	Maintain	Maintain	Maintain	Maintain	Maintain
9	SAS Forecast Server Used by OSBM staff to develop revenue and expenditure forecasts, to develop population estimates, and to create other statistical models. Strategy: Continue to develop additional models. In-house development with existing appropriation.	Maintain	Maintain	Maintain	Maintain	Maintain

Infrastructure Assets

OSBM is an IT consolidated agency. OSBM has service level agreements with ITS for the following services:

- Distributed Hosting
- Local Area Network (LAN)
- Managed Desktop
- Information Security Threat Management and Incident Response
- Information Security Consulting and support

- Mainframe Hosting
- Directory Services
- email and Calendar (Exchange)
- Structured Cabling
- Wide Area Network (WAN)
- Risk Management
- IT Portfolio Management
- Database Services (mainframe only)
- Enterprise-Managed PBX Telephony
- Premise Telephony -- MACs and Maintenance
- Long Distance Telephone Services

OSBM currently has 54 desktops, 25 laptops, 2 UNIX servers (1 hosted at ITS, 1 development server hosted at OSBM), 1 Novell LAN server, and supporting network infrastructure and peripherals. The infrastructure meets current business needs. The recent migration to the Sun Enterprise class server is expected to meet processing needs for the next three years for existing UNIX server-based applications.

Operations/IT management

Organization

OSBM's IT resources are under the direction of the Assistant State Budget Officer for Technology and Data Services. This position is a member of the OSBM Management Team and also serves as the agency's Chief Information Officer (CIO). The Technology and Data Services Section (TDS) collects, produces, analyzes, organizes, disseminates, and explains budget and other strategically important data produced by many North Carolina and US government agencies. TDS provides one-stop Web access to a large number of data items, extensive metadata, data management tools, and training. TDS seeks to make technology easier for all its clients, including state agencies and the public.

TDS develops complete automation solutions for OSBM's business processes. Staff have extensive technical knowledge. Areas of expertise include computer applications analysis and development in UNIX, mainframe, and Windows environments; database development and administration in Oracle and IMS; programming in various languages; graphic design; editorial and publication principles and practices; project management; statewide budgeting; and state and federal statistical programs.

IT consolidation - Review and Recommendations

OSBM became an IT consolidated agency in 2006. Overall, IT consolidation has resulted in improvements to OSBM's IT infrastructure and operations.

Benefits

- Migration of OSBM's UNIX servers to the ITS Eastern Data Center relieved OSBM staff from the burden of managing IT assets that users expect to be available 24 hours a day, seven days a week. Staff are now able to devote more

time to applications development, database administration, and IT management. Designating a "primary contact" at ITS for OSBM UNIX support has been a significant factor in the success and customer acceptance of distributed hosting services.

- Refreshing and transitioning ownership of the Novell LAN server improved reliability and removed the risk of operating a server that is no longer under warranty. Unexpected outages and delays in obtaining replacement parts have been eliminated.
- Refreshing and transitioning ownership and maintenance of network equipment to ITS have helped to ensure reliable operation, improved security, and implementation of industry standards and best practices. This consolidation effort has also relieved OSBM staff from the burden of providing support for the equipment that was previously not covered adequately by maintenance contracts.
- A monthly billing cycle has made IT costs more predictable. However, OSBM now has less flexibility in controlling IT expenditures. This loss of flexibility is problematic during difficult economic times when agencies are asked to cut budgets.
- The Managed Desktop Service has provided reliable service, meeting SLA targets most of the time. Designating a "primary contact" for OSBM's desktop support that is familiar with the agency's infrastructure and staff has been a critical factor in the success and customer acceptance of the managed desktop service. Equipment is well-maintained and reasonably up-to-date.

Despite the benefits of IT consolidation noted above, there is room for improvement. OSBM offers the following recommendations.

Recommendations for Improvement of IT Consolidated Services

- **Implementation of a managed printer service** could potentially reduce OSBM costs and streamline management of printer resources. Currently OSBM must maintain separate leasing contracts for multifunction machines as well as extended warranties for printers that are owned by the agency. OSBM continues to rely on the Managed Desktop service to provide network configuration and initial troubleshooting for printers. Under the current system of printer management, personal printers have proliferated in OSBM.
- **Systematic and timely patching of operating systems** on computers hosted at ITS. This would help to ensure that security requirements proscribed by the ITS Security Office are met.
- **Improved, itemized billing from ITS.** ITS bills lack detail and clarity. It is frequently difficult for agencies to evaluate the accuracy of charges and to account for their purpose.

- **Improved asset management from ITS.** While many improvements have been promised, few have been delivered. Accurate inventories (hardware and software) and remote delivery of software are still lacking.
- **Management of software licensing by ITS** beyond the standard image offered in the Managed Desktop service. For example, OSBM must currently purchase separate licenses for popular software packages, such as Visio, Project, Adobe Acrobat, ssh clients, etc. Such software offerings should be made available to the selected users designated by the agency and billed as part of the Managed Desktop service.
- **More timely upgrades of desktop software.** Requiring agencies to support legacy software adds to the cost of the agency's operations. For example, Internet Explorer (IE) 7 has been available for over two years, but Internet Explorer 6 is still being deployed as part of the standard image for managed desktops. During its recent Web redesign, OSBM and the vendor spent countless hours ensuring backward compatibility with IE 6. In the end, OSBM determined that it was impractical and not cost-effective to make the agency's new Web site 100% compatible with the legacy browser.
- **Improved implementation and communication regarding enterprise licensing agreements.** For example, the Oracle Enterprise Agreement was not adequately explained or promoted to agencies. The inability of the state to sustain the Oracle agreement would seem to be, in part, a result of this communication failure.
- **Improved communication and advance notice of changes mandated by ITS.** For example, changes in mainframe configurations or enterprise agreements that result in increased costs create potential IT budget shortfalls for agencies.
- **Improved reliability of the following services: NCID, VPN, e-mail, networks.** All of these areas have been sources of concern on a fairly frequent basis. In particular, the apparent "disconnect" between NCID and BEACON has been a source of user complaints. Unfortunately, most users have become accustomed to periodic problems with these services and do not make the effort to submit a help ticket.

Human Resources

Staffing

The staffing changes listed below have impacted IT staffing in OSBM.

- The State Demographer was removed from the Technology and Data Services (TDS) section and reassigned to the Demographic and Economic Analysis Section in 2007. This staff change reduced the ability of TDS to provide additional backup for the primary mainframe application developer.
- A Business and Technology Applications Analyst currently in the Technology and Data Services Section will be reassigned to the newly created Strategic Management section, effective October 1, 2008. This change may result in a loss

to TDS of backup support for Web and Oracle resources, a loss of programming resources for PL/SQL applications, and support for value-added data services.

- TDS will be hiring a Database Administrator to support Oracle, SAS, and other applications in 2008. This staff addition will free TDS management from having to provide these services and also reduce agency risk in the maintenance of Oracle, SAS, and other resources.
- A research assistant in TDS was upgraded to a Business and Technology Applications Analyst. This staff change provides for better administration of the BCP, the Community Resource Information System (CRIS), the internal HR training application, and NCMail. This staff change also will provide additional programming resources.
- A Business and Technology Applications Specialist that supports mainframe operations has been on medical leave since February 2008. This situation left the lead mainframe systems developer with limited backup until a contractor was hired. It is unknown whether the B&T Applications Specialist will be able to return to work.
- OSBM is facing the likely loss of some key IT personnel due to retirements in the upcoming biennium. The agency will need to devote resources to mitigating the risks of these losses. Additional information on this issue is provided in Chapter 3 of this plan under "Aging Workforce and Succession Planning."

Training

OSBM has allocated approximately \$1,000 per year for each staff member for training. The management in OSBM has recognized that this amount is insufficient to support IT training and has provided some funds for IT staff beyond the \$1,000 per employee allotment. Nevertheless, there is still a need for additional funds for IT training. Current training needs for IT staff in OSBM include:

- Oracle SQL and PL/SQL and related relational database concepts
- Oracle Application Server and related products
- Java technologies, including Java Servlets
- Adobe Creative Suite
- ArcGIS
- Data exchange and other technologies for modernizing legacy systems (e.g., SOA)

Chapter 3 - IT Issues and Opportunities

IT Consolidation

One goal of IT consolidation is to reduce costs. After nearly two years, it can still not be shown with any certainty that IT consolidation in OSBM has resulted in a cost savings. Transitioning to hosting services at ITS has generally been regarded in OSBM to be cost-neutral. However, the recent migration to virtualized environments appears, at least initially, to be more costly than standalone server solutions (whether hosted at ITS or at OSBM).

OSBM has found that maintaining a development environment in-house is required in addition to ITS hosting services. Restrictions placed on servers hosted at ITS, namely denying agencies root access, make it impractical for OSBM to rely solely on ITS-hosted servers for applications development. OSBM has also found that ITS UNIX technicians meet agency needs much more efficiently when the agency provides specific, step-by-step instructions for system configuration changes required by applications. Having an in-house server to test and document these configurations before providing direction to ITS has proven to be a cost-effective and practical means of ensuring accuracy and reducing risk when asking ITS to implement changes in the production environment.

Some of the opportunities for improvement in IT consolidation are noted above in Chapter 2. The most significant opportunities that would benefit OSBM include: additional server virtualization (should that strategy prove to be cost-effective); addition of Windows Server capability; improved asset management (including software delivery and ITS management of software licensing); improved ITS billing; addition of wireless capability; and enterprise-wide printer management.

Legacy Systems

Gaps in the current budget systems were identified and noted during the study of the state's business systems conducted by Deloitte in 2003. Despite these perceived gaps, these systems continue to support OSBM business needs in a generally reliable and cost effective manner. The addition of Web interfaces, as well as the improvement in data transfer to OSBM's UNIX servers, have proven to be low-cost strategies for extending the life and viability of these systems. It is anticipated that they will remain in place until the state replaces its statewide budgeting and financial systems. In the meantime, OSBM will continue its strategy of modernizing legacy applications when reasonable to do so. The following strategies are being used to extend the life of these legacy systems.

- Adding or enhancing user-friendly interfaces (i.e., Web enabling); All OSBM legacy mainframe systems have now been provided with a Web interface.
- Adding user-requested enhancements and functionality when feasible and cost effective
- Improving integration between OSBM's Oracle-based systems and mainframe systems
- Improving integration between all OSBM systems and systems in other agencies through the application of MQ messaging or other data exchange methods

- Developing Java applications to add functionality or provide other benefits
- Using COTS software for some OSBM business needs
- Maintaining and enhancing the ability to deploy applications rapidly

With regard to future replacement of budgeting and financial systems, OSBM is working with the Office of State Controller and other agencies to ensure that OSBM's business needs are met in a new system. OSBM provided a great deal of input to the joint application development (JAD) sessions conducted by Deloitte in 2008.

Given the age of the legacy mainframe systems and eventual loss of personnel to maintain these systems, OSBM is at considerable risk. It is essential that progress be made in the coming biennium towards the replacement of these systems.

Simplified Sign-On

In OSBM's 2007-09 IT plan, integration of budget systems with NCID was noted as an opportunity. No progress has been made in this area. Security for mainframe access is still provided through RAC-F, and security for Oracle is provided through an appropriate solution available within the Oracle environment. Ongoing problems with NCID and limited programming resources in OSBM have prevented OSBM from integrating budget systems with NCID. However, it is still desirable to integrate NCID with core budget systems.

Aging Workforce and Succession Planning

OSBM is facing the likely loss of some key IT personnel due to retirements in the upcoming biennium. The agency will be seeking ways to mitigate the risks of these losses. The following strategies will be applied as funds permit.

- Use of contractor(s) to supplement permanent staff
- Cross-training
- Reallocation of duties
- Improved documentation
- Hiring Database Administrator (new position funded by the last session of the General Assembly)
- Implementation of new technologies
- Automation of repetitive processes to reduce maintenance requirements
- Less reliance on in-house development and use of more COTS applications (for example, SAS Forecast Server and ACL Audit Exchange)
- Sustaining effort to replace legacy budget systems (See solution #4 in the Chapter 4 of this plan.)

Chapter 4 - New IT Solutions

Solution 1

Name: Internal Audit Plans and Reports

Summary Description and Business Case:

The purpose of this project is to meet the legislative requirement to "maintain a central database of all internal audit plans; topics for review proposed by internal audit plans; and internal audit reports issued and individual findings and recommendations from these reports." The application will provide Web forms for data entry, data storage, indexing and retrieval of documents, summary information, ad hoc reporting, document uploading, tracking, and appropriate security. In-house development was determined to be the most cost-effective means of meeting this legislative requirement.

OSBM serves as staff and support to the Council of Internal Auditing in its implementation of the NC Internal Audit Act (Article 79, Chapter 143 of the NC General Statutes). The 2007 session of the General Assembly created this act, the passage of which was recommended by a study directed by the Government Performance Audit Committee.

The act requires a state agency that (1) has an annual operating budget that exceeds (\$10,000,000), (2) has more than 100 full-time equivalent employees, or (3) receives and processes more than \$10,000,000 in cash in a fiscal year, shall establish a program of internal auditing, and that internal audits comply with current Standards for the Professional Practice of Internal Auditing issued by the Institute for Internal Auditors. The act establishes qualifications of Internal Auditors, directs that agencies appoint a Director of Internal Auditing, and establishes the Council of Internal Auditing.

Timeframe: 2008 - 2011

Relationship with Other OSBM Business Initiatives:

- Internal Audit
- Government Evaluation and Review
- Budget administration
- Strategic Management

Relationship with Statewide Business Initiatives:

- Budget administration
- Management Audits

Order-of-magnitude Costs: <\$100,000

Source of Funds: Funds were appropriated by the legislature in 2007-09 to develop the database and application. Sufficient recurring funds were provided for ongoing maintenance and software licensing.

Solution 2

Name: Wireless Network in OSBM

Summary Description and Business Case:

The purpose of this project is to provide wireless access in OSBM's three conference rooms, OSBM's training room, the Commission Room, and the Office of Internal Audit.

Major Benefits:

- Eliminate cabling in the designated areas. Current cabling represents a physical hazard in these locations.
- Reduce number of hard-wired ports (potential cost savings).
- Provide easy Internet access to all users of conference and training facilities and adjacent areas in OSBM.
- Extend and modernize Internet availability in the Commission room and training room; reduce need for OSBM to provide technical support for meetings in Commission Room and training room; improve aesthetics in Commission room and training room.

Timeframe: 2008 - 2009

Relationship with Other Agency Business Initiatives:

- Internal Audit
- Budget preparation and Results-based Budgeting
- Budget administration
- Any other initiatives that use conference and training facilities

Relationship with Statewide Business Initiatives:

- Any statewide initiatives that use conference and training facilities at OSBM

Order-of-magnitude Costs: <\$10,000 first year. ITS has agreed to replace current switches at no additional cost to the agency. OSBM will purchase equipment for the access points and pay contractor installation charges. The only anticipated recurring costs will be increased port charges (pricing structure to be determined).

Source of Funds: Current operating funds

Solution 3

Name: ACL Audit Exchange Server

Summary Description and Business Case:

ACL AuditExchange is a client-server solution that gives OSBM the ability to perform independent audits from a workstation. The ACL server will be hosted on a VMWare instance at the ITS Eastern Data Center.

Major Benefits:

- Ability to perform audits in accordance with industry standards and best practices
- Ability to build and maintain a central repository of data from disparate sources
- Ability to store scripts for repetitive tasks, thus saving staff resources
- Ability to generate reports to respond to legislative or other inquiries
- Ability to share information with allied programs in OSBM and other agencies

Timeframe: 2008 - 2011

Relationship with Other Agency Business Initiatives:

- Internal Audit
- Government Evaluation and Review
- Budget Administration
- Budget Preparation and Results-Based Budgeting

Relationship with Statewide Business Initiatives:

- Budget Administration
- Management Audits

Order-of-magnitude Costs: <\$100,000

Source of Funds: Funds were appropriated by the legislature in 2007-09. Sufficient recurring funds were provided in the appropriation for ongoing hosting, support, and software licensing.

Solution 4

Name: Strategic Management/BEACON Budgeting and Financials

Summary Description and Business Case:

This solution is a multi-faceted project to accomplish the following goals:

1. Develop state level indicators and provide centralized access to state performance information.
2. Create state agency scorecards in the following areas: Human Resources, Information Technology, Financial Management, and Procurement.
3. Follow-up on the Deloitte analysis of implementing a SAP solution for budgeting and financials.

This solution will be further defined based on the Deloitte analysis and availability of funding in 2009-11 for the BEACON budgeting and financials project.

Major Benefits:

Strategic Management

- Provide state government a framework to guide budget and planning decisions.
- Increase transparency of statewide progress in key areas.
- Promote effective and efficient management of the state's resources and programs.

BEACON Budgeting and Financials

- Provide OSBM staff a framework and tools for streamlining the budget code structure.
- Gain staff commitment to replace budgeting systems and sustain momentum following the planning phase conducted by Deloitte.
- Educate OSBM staff and agencies regarding potential work process changes and benefits of new budgeting system.
- Evaluate Deloitte analysis, including the assumption that the BEACON Budgeting and Financials projects will use the SAP Public Sector Budget Development solution, which uses Business Objects for reporting and PatternStream (or similar application) for budget publishing.
- Prepare staff for blueprinting phase should the BEACON Budgeting and Financials project move forward.
- Enable staff to answer questions from stakeholders regarding new budget systems.
- Determine whether an interim or alternative solution for budget systems is needed (in the event that a future SAP implementation is substantially delayed).
- Mitigate risk associated with legacy budget systems and aging workforce that supports these systems.

Timeframe: 2008 - 2011

Relationship with Other Agency Business Initiatives:

- Budget Preparation and Results-Based Budgeting
- Budget Administration
- Statewide Infrastructure

Relationship with Statewide Business Initiatives:

- Budget Preparation and Results-Based Budgeting
- Budget Administration
- State accounting system
- BEACON HR/Payroll

Order-of-magnitude Costs: To be determined

Source of Funds: Legislative appropriation